

## Message Text

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43

ACTION EB-11

INFO OCT-01 ARA-16 EUR-25 ISO-00 CAB-09 CIAE-00 COME-00

DODE-00 INR-10 NSAE-00 RSC-01 FAA-00 OMB-01 TRSE-00

DRC-01 /075 W

----- 036134

R 011400Z FEB 74

FM AMCONSUL RIO DE JANIERO

TO SECSTATE WASHDC 91

INFO AMEMBASSY BRASILIA

AMEMBASY BONN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY PARIS

AMCONSUL SAO PAULO

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E.O. 11652: N/A

TAGS: ETRN, FR, BR

SUBJ: CIVAIR: TRANSBRAZIL NEGOTIATES TO BUY AIRBUS

REF: STATE 18841

1. INFORMATION AVAILABLE TO CONGEN INDICATES TRANSBRAZIL HOPES SIGN TWO-YEAR- LEASE CONTRACT, WITH OPTION TO BUY, FOR TWO AIRBUSES. FIRST AIRBUS TO BE AVAILABLE JUNE 1974 AT \$145,000 PER MONTH, SECOND IN JUNE 1975 AT \$165,000 PER MONTH. LEASE PAYMENTS WOULD BE APPLIED TO PURCHASE PRICES. SELLING PRICE REPORTED AS \$15.5 MILLION FOR FIRST AIRCRAFT AND \$17.5 MILLION FOR SECOND AIRCRAFT. PRICE DIFFERENTIAL BETWEEN TWO AIRCRAFT DUE TO FACT THAT FIRST IS A PROTOTYPE. DURING PERIOD OF LEASE, MANUFACTURER WILL PROVIDE MAINTENANCE PERSONNEL, SPARE PARTS, AND GROUND SUPPORT EQUIPMENT.

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2. COMMENT: NO DATA AVAILABLE ON INTEREST RATE TO BE

CHARGED IF PLANES ARE PURCHASED, BUT UNDERSTAND AMORTI-  
ZATION PERIOD WOULD BE TEN TO TWELVE YEARS.

3. BRAZILIAN CIVIL AVIATION AUTHORITIES (DAC) CURRENTLY  
CONSIDERING TRANSBRAZIL REQUEST FOR AUTHORIZATION TO SIGN  
CONTRACT. DAC HAS, IN THE PAST, HASITATED TO AUTHORIZE  
AIRPLANE LEASING ARRANGEMENTS. IN ADDITION, DAC UNDERSTOOD  
TO BE SOMEWHAT RELUCTANT AUTHORIZE INTRODUCTION OF AIRBUS  
INTO BRAZIL, THEREBY DISRUPTING ITS EFFORTS TO HOMOGENIZE  
AIRCRAFT EQUIPMENT.

4. ABOVE CONTRACT TERMS ARE SUFFICIENTLY ENTICING TO  
INTEREST MOST ANY COMMERCIAL AIRCRAFT COMPANY. LEASING  
ARRANGEMENT, WPICH ELIMINATES LARGE INITIAL CAPITAL OUTLAY,  
WOULD BE ESPECIALLY ATTRACTIVE TO TRANSBRAZIL, WHICH IS  
BELIEVED TO BE OPERATING ON VERY SHORT CAPITAL BUDGET.  
BOONSTRA

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, PROCUREMENT, SPARE PARTS, AIRCRAFT SALES, NEGOTIATIONS, AIRCRAFT MAINTENANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974RIODE00390  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** RIO DE JANEIRO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740262/aaaacftv.tel  
**Line Count:** 78  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Exemptions:** n/a  
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EO Systematic Review  
30 JUN 2005

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**Status:** NATIVE  
**Subject:** CIVAIR: TRANSBRAZIL NEGOTIATES TO BUY AIRBUS  
**TAGS:** ETRN, FR, BR, TRANSBRAZIL  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005